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## CURRENT SITUATION IN SOUTH VIETNAM

### 1. Position of Premier Diem

The increasing weakness of Premier Diem--aside from his own serious limitations as an administrator and practical politician--is primarily a reflection of (a) French opposition to his regime, particularly the Expeditionary Corps' blocking action since the initial clash with the Binh Xuyen, and (b) press reports that American support is being withdrawn from his government. His weakening position has been reflected in the facts that the Binh Xuyen and those elements of the Hoa Hao which are allied with it have become more assertive; Bao Dai has made public the anti-Diem position which he has long held; and some nonparty Vietnamese politicians have come to believe that association with Diem may be politically unwise.

The actual politico-military balance of forces in Vietnam has changed little, if any, during the present crisis. The government remains militarily stronger than its opposition. It retains the capability of driving the Binh Xuyen out of Saigon, although such an operation might lead to considerable destruction and bloodshed. In this regard, however, the Binh Xuyen's important economic interests in the Saigon area--from bus companies to brothels--would tend to dissuade it from engaging in a destructive civil war.

In this situation Diem's ability to attract capable men, never strong owing to his inflexibility and lack of administrative skill, has been further diminished, but there is no reason to alter the estimate that Diem still has more popular nationalist appeal than any other prospective leader in South Vietnam. Aside from intermittent clashes with Hoa Hao elements in western Cochinchina, no serious non-Communist political or military opposition to the government has developed outside Saigon.

No single serious defection to the opposition has occurred during the past week (excluding possibly Bao Dai). Diem's conversation with General Collins on 13 April may indicate a less stubborn approach on his part toward the ousting of police chief Sang, and this conversation also indicated a possible willingness to accept or head an "interim government" pending election of a constituent assembly. Diem told an American

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official on 13 April that he was sending his brother, Ngo Dinh Can, to Paris on 14 April in an apparently desperate effort to regain the chief of state's support. This bid by Diem is not likely to prove a decisive factor in Bao Dai's plans.

Organized political opposition to Diem in the form of a "Committee for Conciliation" appears to be largely the work of opportunists who have worked with the French in the past, including Binh Xuyen and Hoa Hao figures.

2. Position of Bao Dai

Bao Dai's close adviser Nguyen De told American officials in Paris that Bao Dai has come to believe that Diem must be promptly removed, but rather than taking the initiative, he proposed that France and the US agree on a successor government. Bao Dai envisages an executive council, of which he would be the supreme arbiter. This proposal, coupled with Bao Dai's request that Diem not attend the Bandung conference, makes it clear that once the restraining hand of US support is removed Bao Dai will openly and fully join the "dump Diem" forces. The Binh Xuyen radio on 13 April announced the purported text of a telegram from Bao Dai to the "Committee for Conciliation" expressing approval of that group.

3. Position of the French

Official French policy remains firmly committed to the view that Diem must be replaced at an early date if civil war is to be averted and an effective government established in South Vietnam. They are not likely to waver from this position if they feel they are on the verge of achieving their goal. There is evidence that the French are working closely with Bao Dai to this end. There is also evidence of continued close French contact with the Binh Xuyen.

4. Position of the Viet Minh

The Viet Minh has made no secret of its satisfaction with the Saigon dispute. Its radio has repeatedly urged the sects to overthrow "American puppet" Ngo Dinh Diem. An 8 April broadcast in this vein was made from Hanoi by a person purporting to be an ex-Binh Xuyen commander.

[REDACTED] Some of the persons connected with the "Committee for Conciliation" are of a pro-Viet Minh stripe.

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